

GERRESHEIMER



Gerresheimer: Excellent prospects as a unique supplier to the Pharma & Life Science Industry

Gerresheimer Capital Markets Day

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Agenda

- Introduction
- Trends in the Pharma Industry
- Understanding the Pharma Industry
- Gerresheimer's approach to the customer

Gerresheimer's strategy

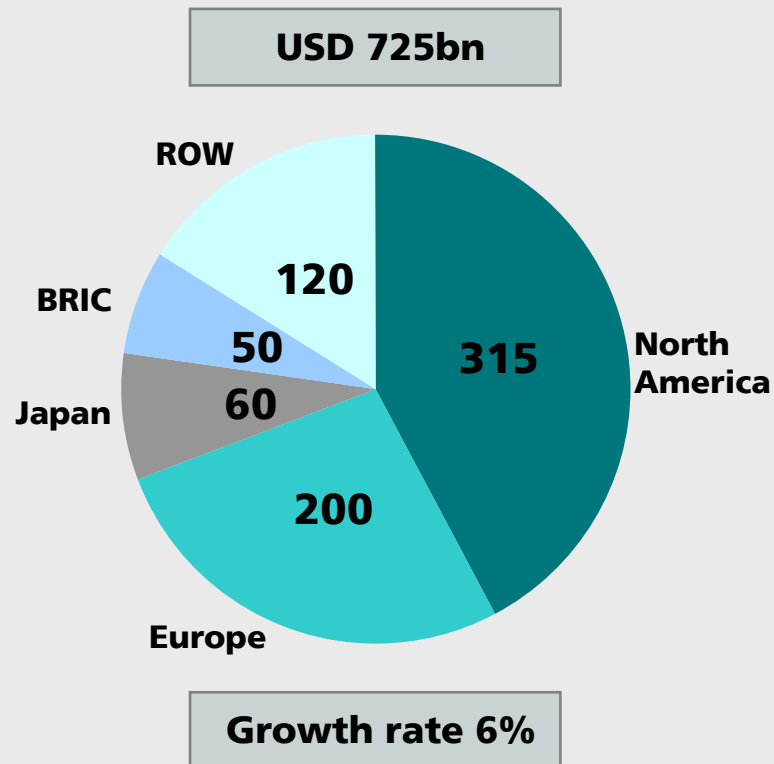


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The pharma market continues to be attractive due to solid fundamental growth drivers

- Pharmaceutical sales 2008 -



Key growth drivers

- Growing and aging population
- Expanded access to healthcare, especially in emerging countries
- Drug innovation
- New therapeutic areas
- Generics

Source: IMS, Health, MIDAS Q2/2008

Four selected trends in the Pharma Industry and the consequences for Gerresheimer

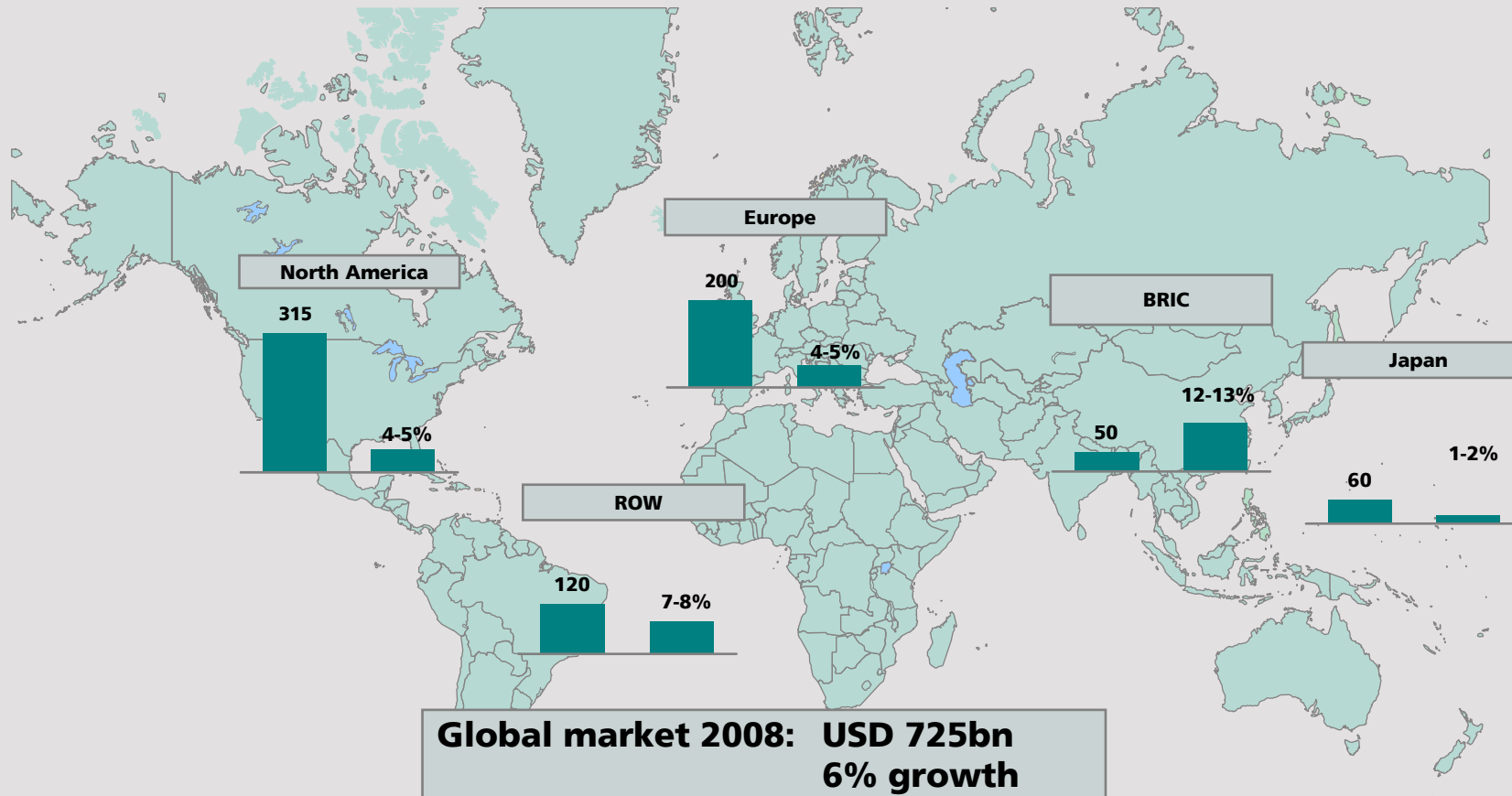
- 1 Different speeds of growth in various regions of the world
- 2 Different size and growth rates of disease patterns
- 3 Trend to genericization
- 4 Strong market growth in biotech products

1 Different speeds of growth in various regions of the world

North America and Europe remain most important markets; strongest growth lies in emerging countries

- EUR bn -

- Pharmaceutical sales: Market sizes and growth rates 2008 -



Source: IMS, Health, Market Prognosis Sep 2007

Despite strong growth in the BRIC region North America and Europe will remain the most important markets

- USD bn -

- *Absolute market growth by region* -

North America

14

Europe

9

BRIC

6

Japan

1

Source: IMS, Health, Market Prognosis Sep 2007

North America and Europe are the most demanding markets for their suppliers

Market trends

- New sophisticated therapies with specialized packaging needs
- Upgraded government standards regarding safety, unit dose, quality and anti-counterfeit packaging

Consequences for Gerresheimer

- Highest standard of quality and service offered by Gerresheimer
- Joint development of new products with customer
- Relatively high investments to approach 0-defect quality levels

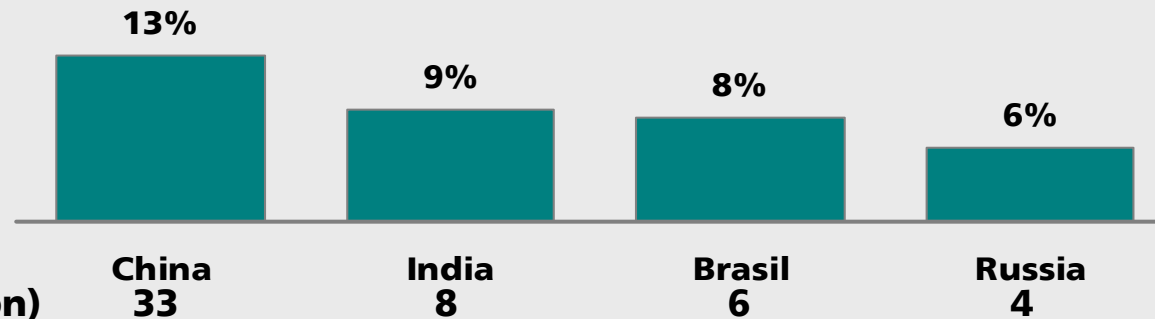
Gerresheimer presence

- 93% of sales: Europe and North America will remain most important markets
- 31 plants with 8,500 employees

1 Different speeds of growth in various regions of the world

Gerresheimer presence in largest and strongest growing BRIC-country China

- Pharmaceutical market growth rates in BRIC-countries -



Market size (EUR bn)

Market trends

- Extensive programs to upgrade quality of locally produced drugs
- Expanding pharma manufacturing capabilities

Consequences for Gerresheimer

- Medium quality level of products and technology sufficient
- Use of locally made equipment or upgraded older machines from Western plants
- Limited capex required in the next years
- Introduction of Western processes

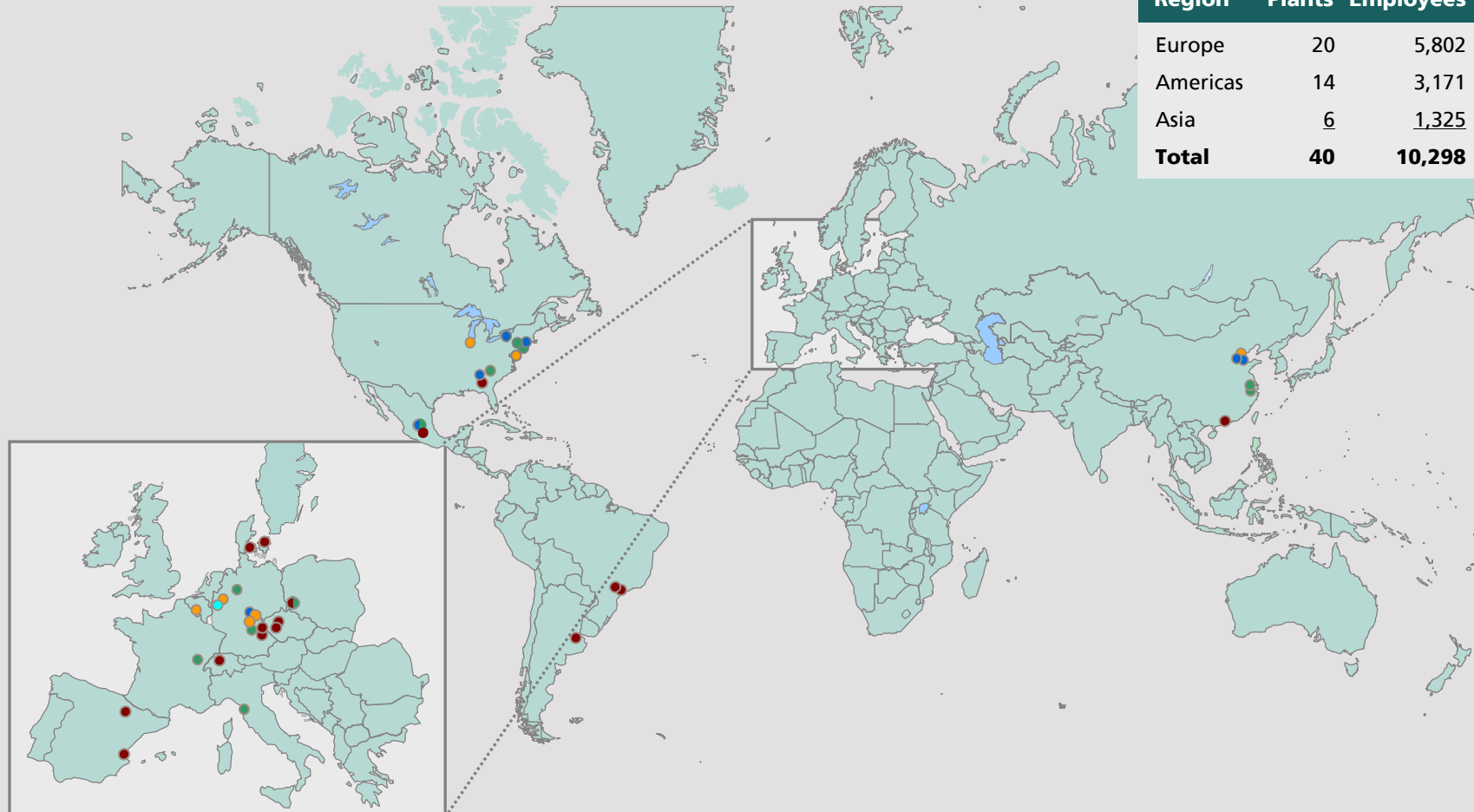
Gerresheimer presence

- 5% of sales
- 8 plants with 1,700 employees

1 Different speeds of growth in various regions of the world

Gerresheimer is present both in the big markets as well as in the fast-growing regions

Region	Plants	Employees
Europe	20	5,802
Americas	14	3,171
Asia	6	1,325
Total	40	10,298

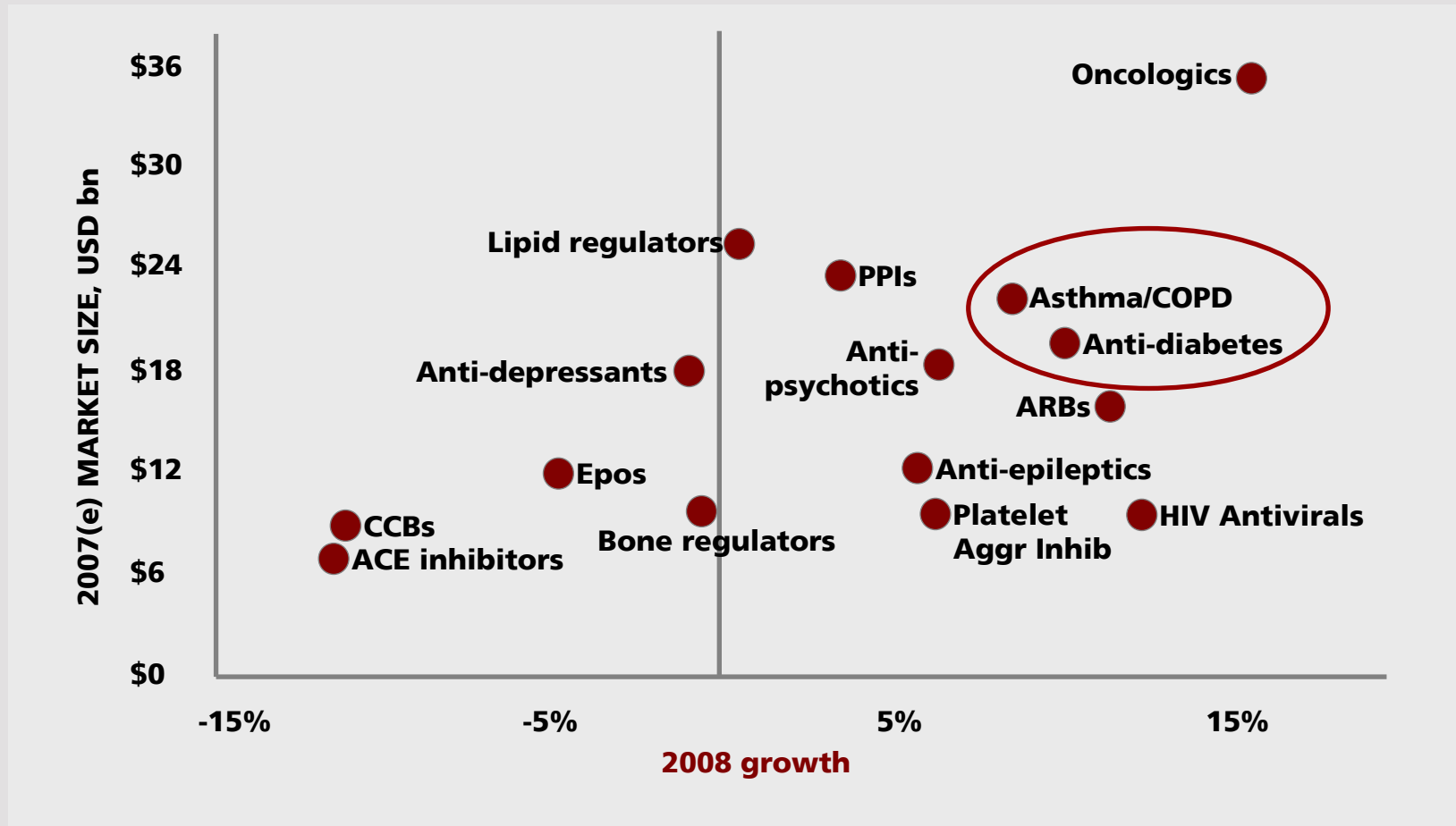


As of August 31, 2008

● Headquarters
 ● Tubular Glass
 ● Plastic Systems
 ● Moulded Glass
 ● Life Science Research

2 Different size and growth rates of disease patterns

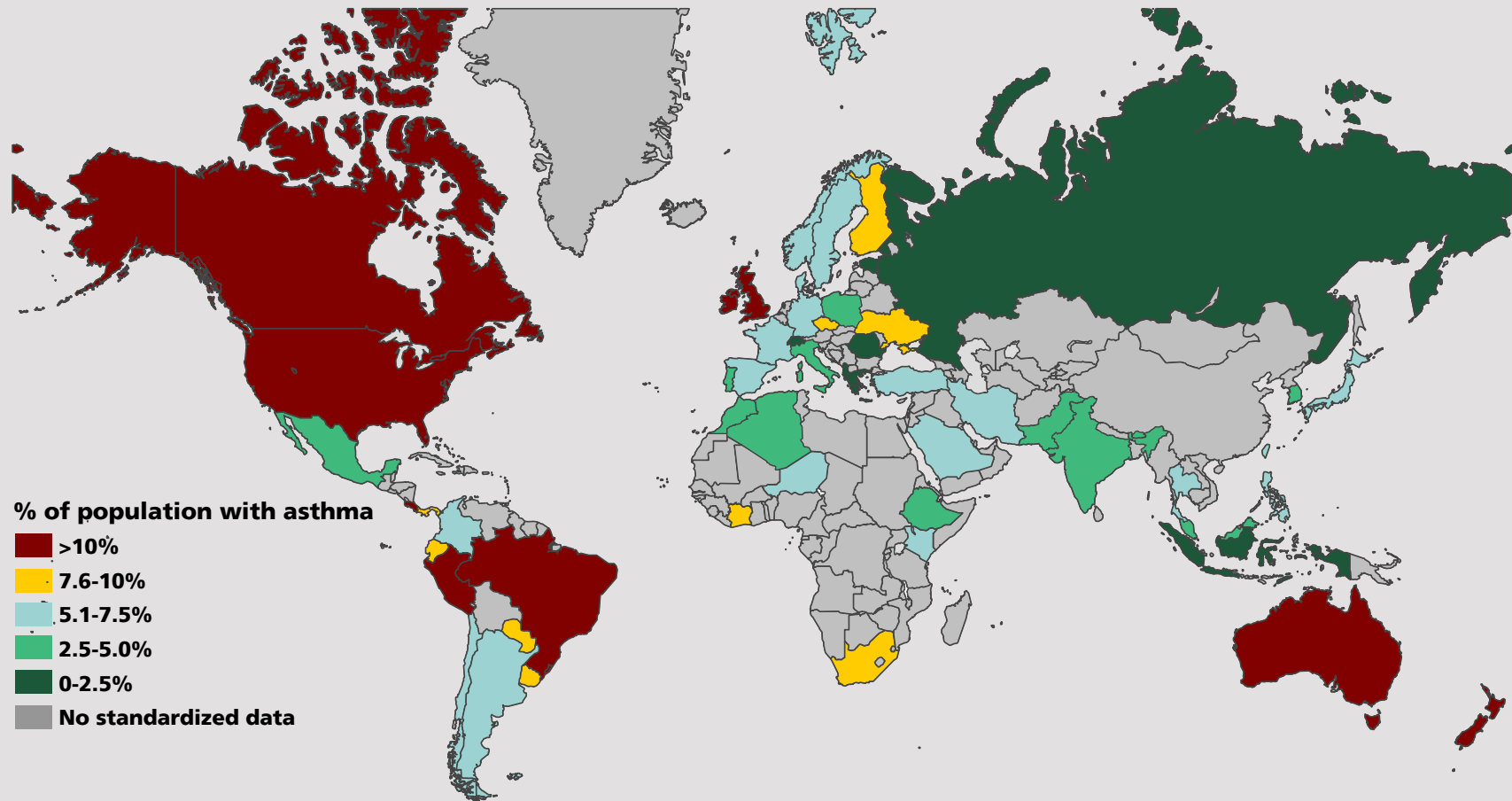
GX supplies packaging solutions for all kinds of drugs; however, the growing respiratory and diabetes markets are of particular interest



Source: IMS Health: MIDAS; therapy Forecaster, IMS Consulting Sep 2007

2 Different size and growth rates of disease patterns

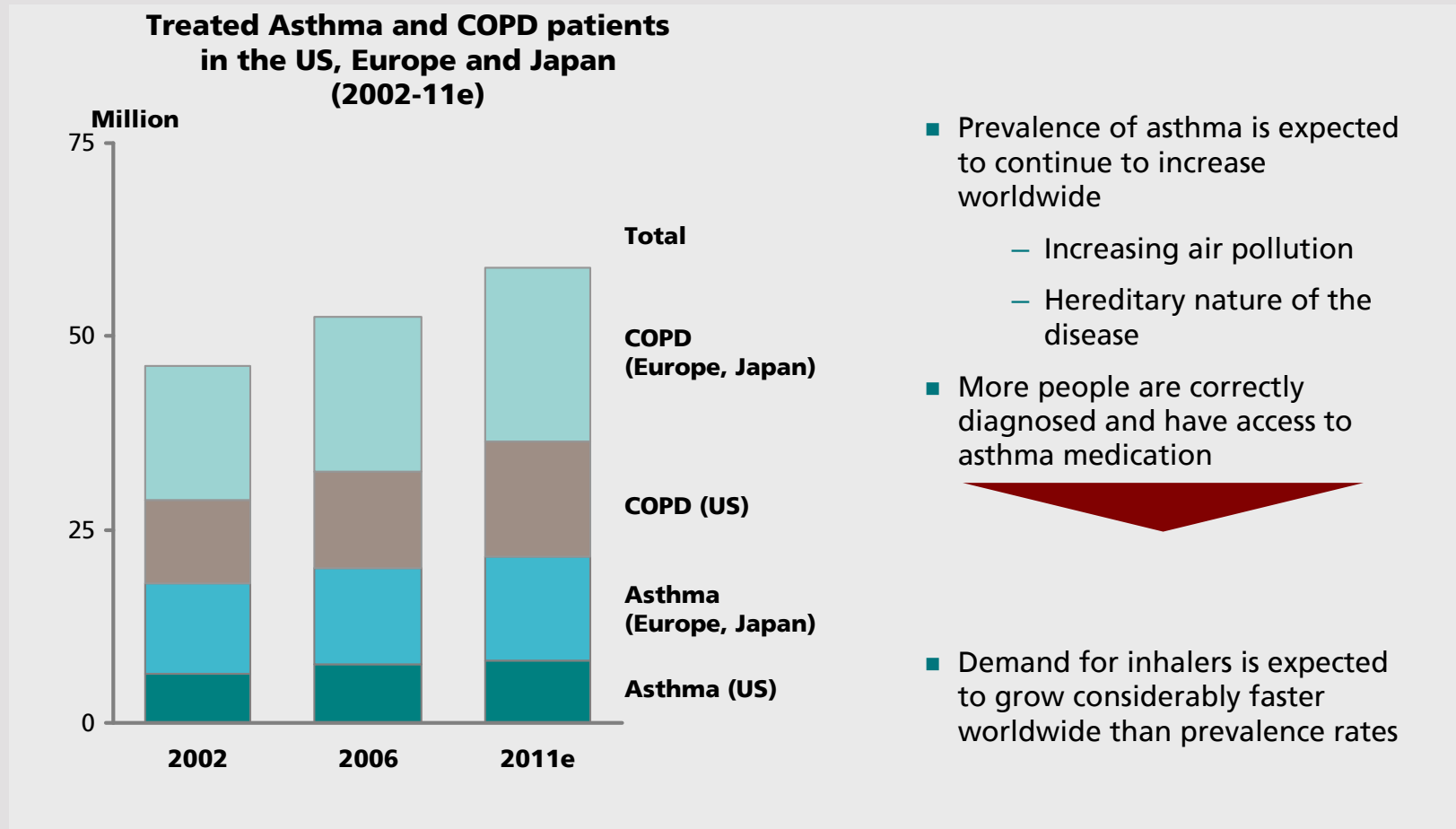
North & South America as well as Australia show a particularly high prevalence of clinical asthma



Source : LEK study 2007

2 Different size and growth rates of disease patterns

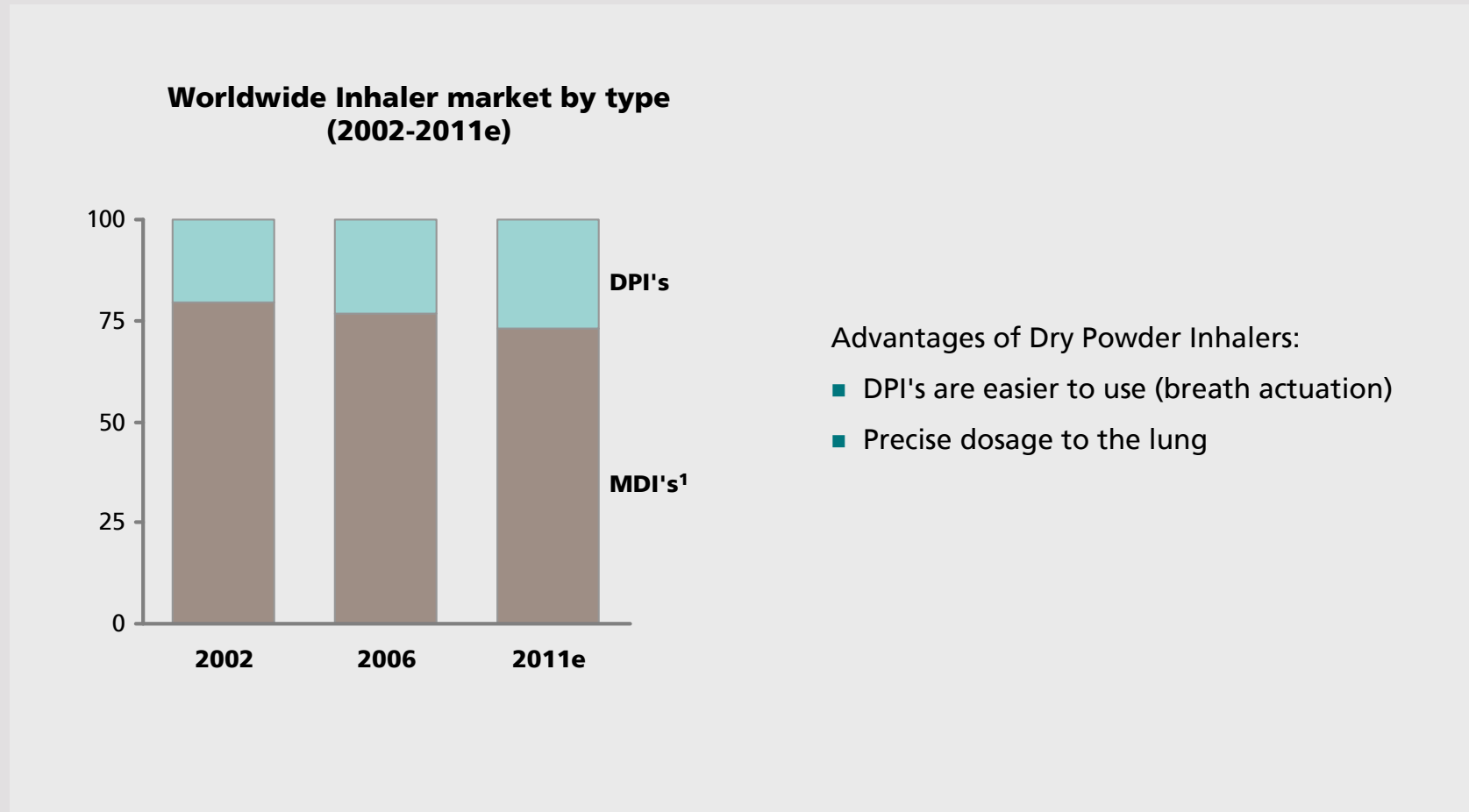
Asthma and COPD patient numbers are important demand drivers



Source: LEK study 2007

2 Different size and growth rates of disease patterns

Market growth for Inhalation driven by strong growth of Dry Powder Inhalers (DPI)

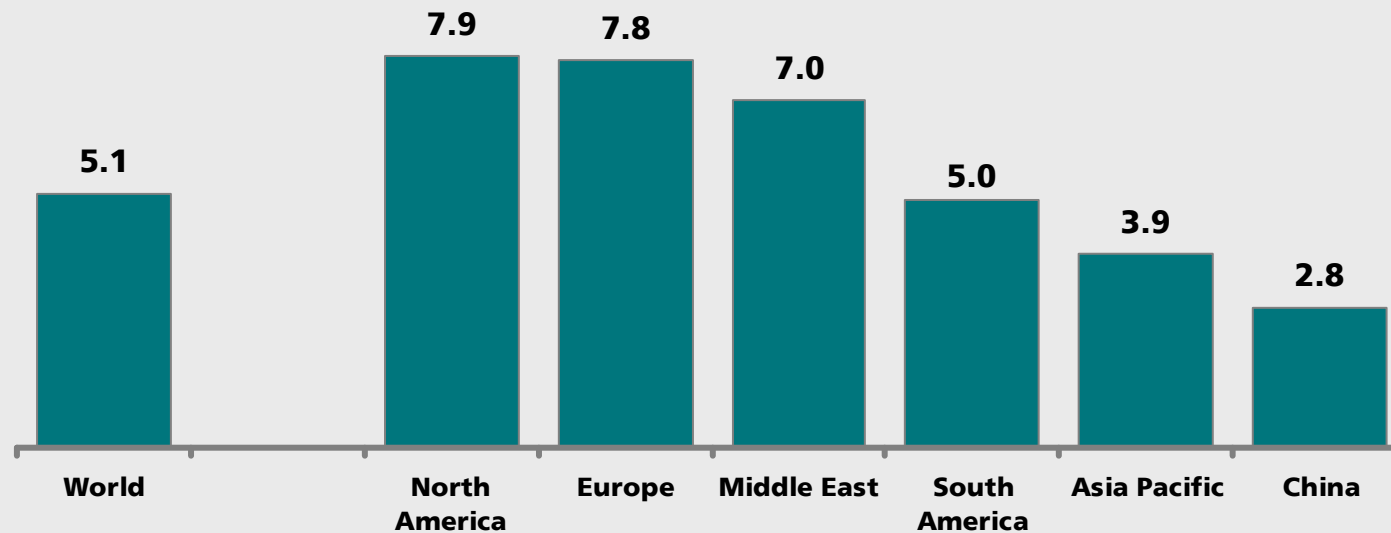


¹ Metered Dose Inhalers; Source: LEK study 2007

2 Different size and growth rates of disease patterns

Strongest prevalence of diabetes in North America and Europe

- Prevalence of diabetes worldwide in % of adult population in 2003¹-



¹ Refers to population ages between 20-79 years.
Source: International Diabetes Federation, Diabetes Atlas, 2003, p. 9

Facts Diabetes

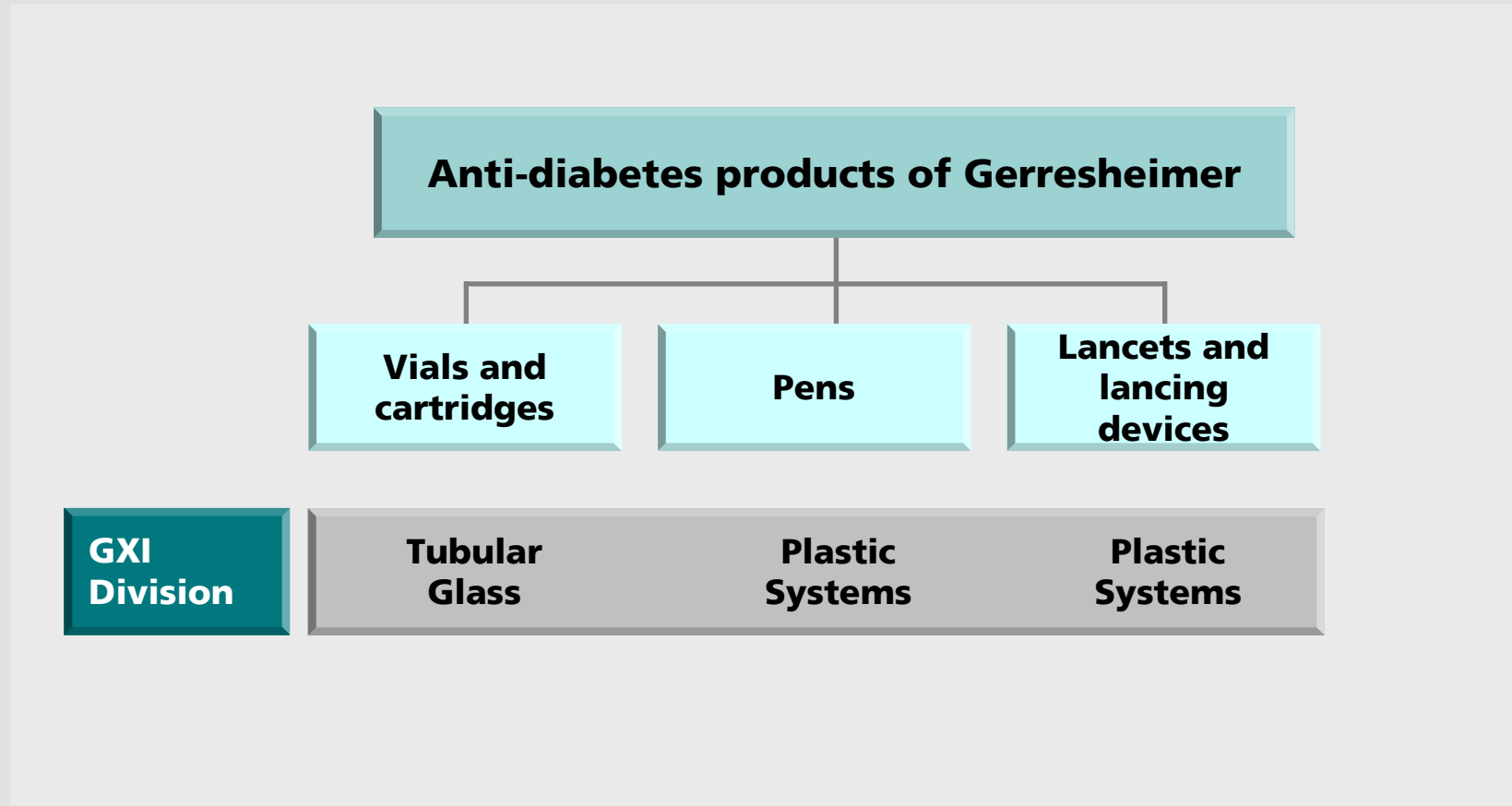
Background diabetes disease

- Number of persons concerned will increase globally to 350m until 2025
- 50% of people with diabetes have not been diagnosed or treated
- Main reasons for increase in diabetes prevalence are behavioural patterns such as limited physical activity and malnutrition
 - Around 90% of diabetes is type 2 diabetes

Major pharma companies involved in diabetes diagnosis and treatment

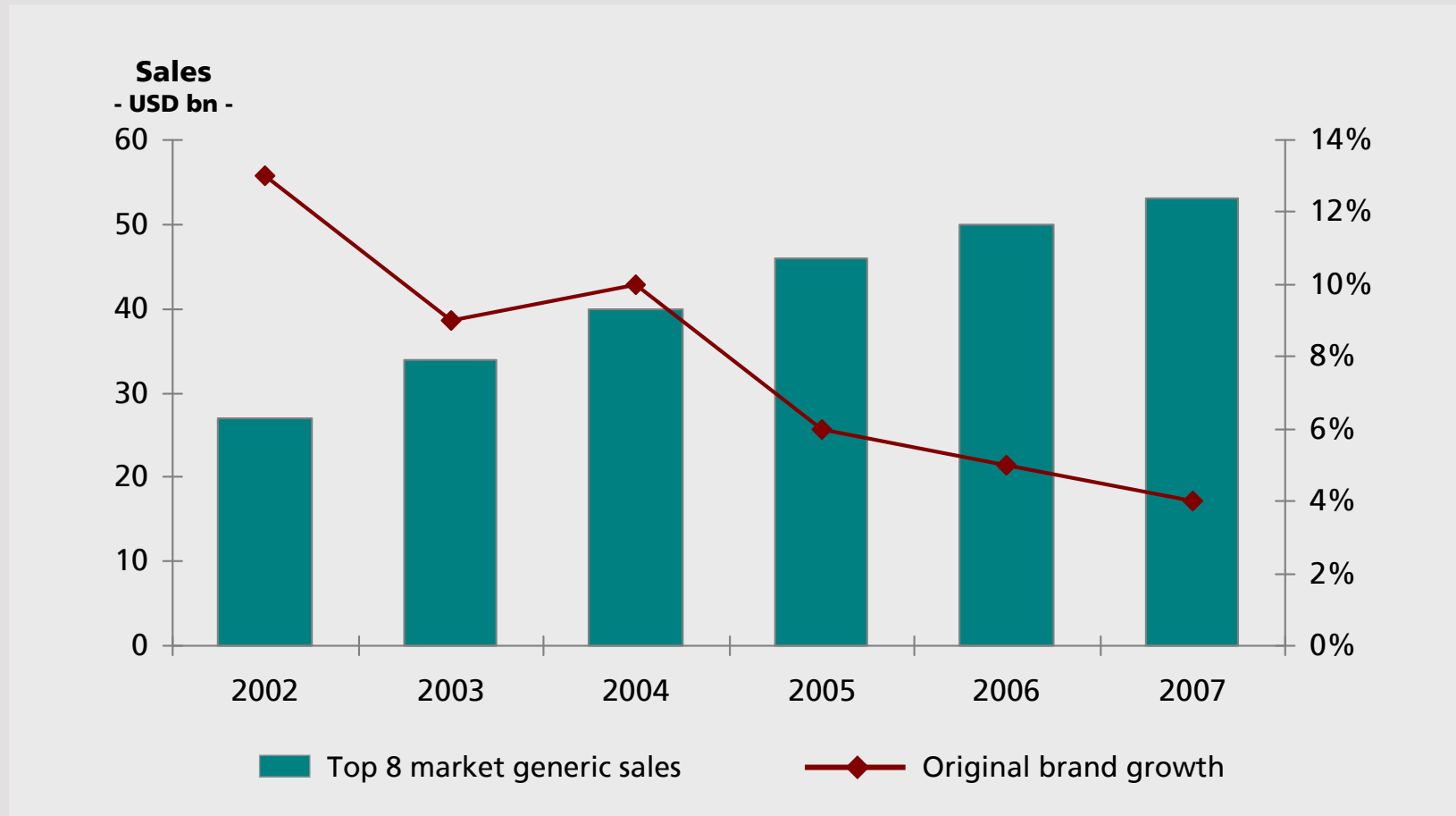
- Insulin producers: Novo Nordisk, Eli Lilly, Sanofi-Aventis
- Manufacturers of diagnosis equipment: Roche, Abbott, Bayer, Life Scan

Gerresheimer is the only Pharma & Life Science supplier to offer a broad range of diabetes products



3 Trend to genericization

Generics outgrow original brands

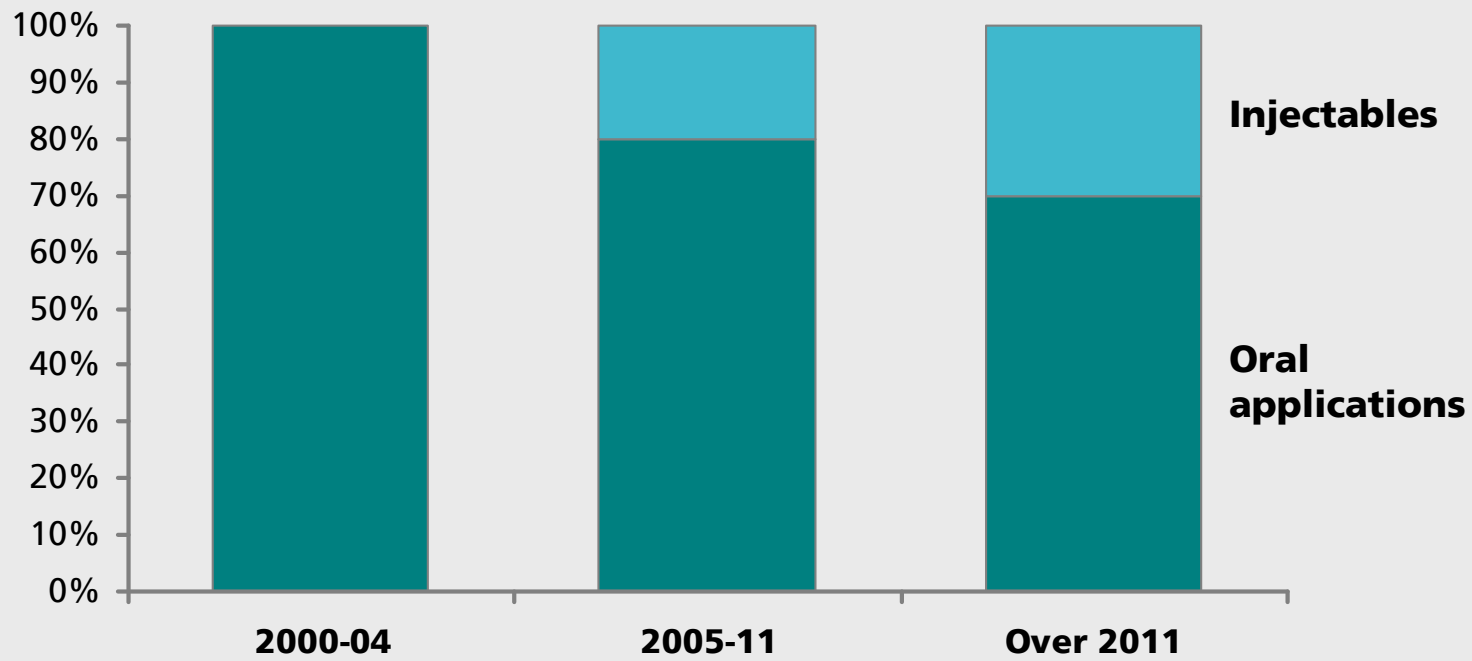


Source: IMS Health: MIDAS; therapy Forecaster, IMS Consulting Sep 2007

3 Trend to genericization

So far, generics have not gained much ground in injectable drugs, but this trend is changing

- Global Generics Blockbuster Sales (USD) -

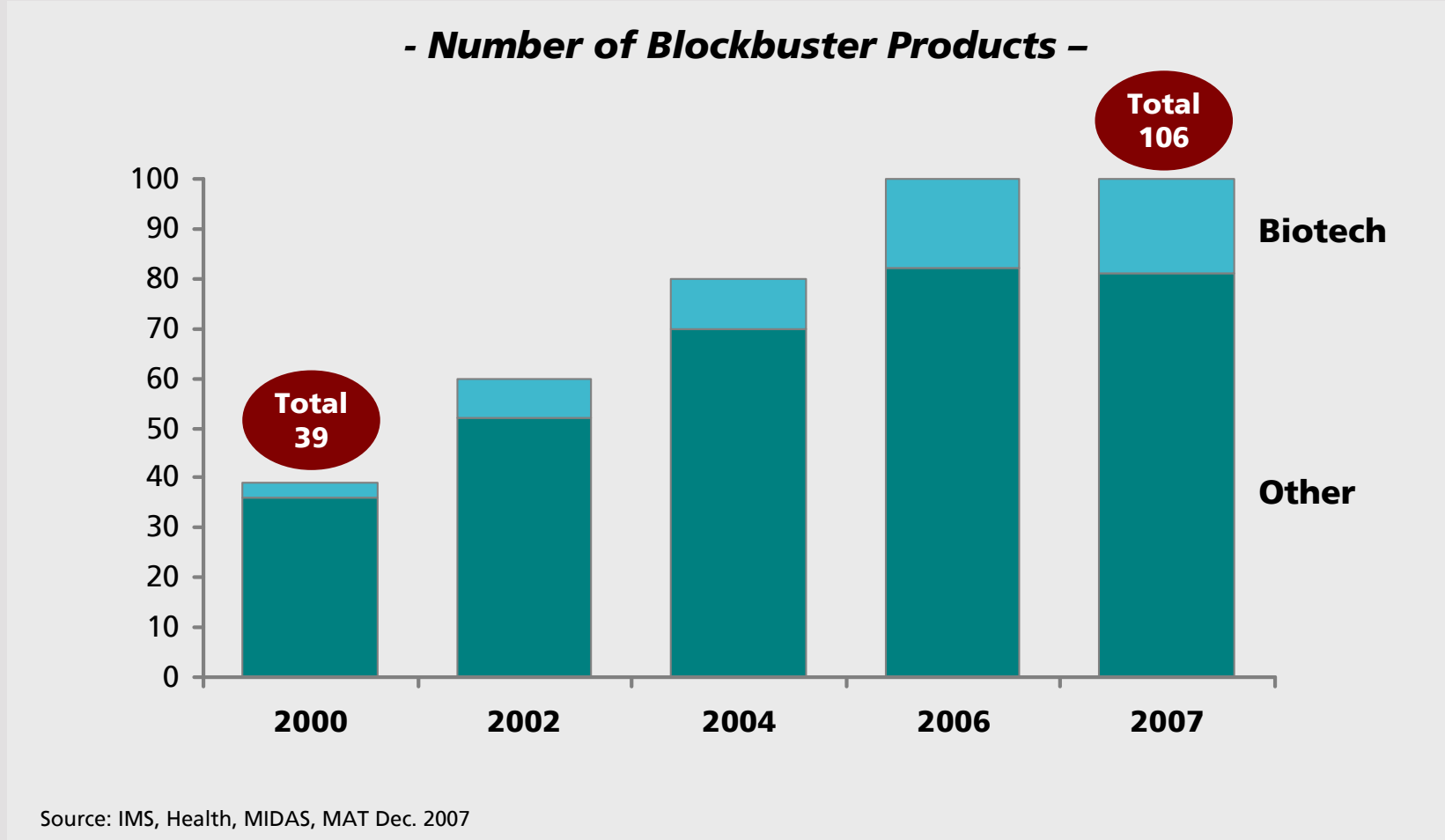


Volume growth driver for Tubular Glass Division

Source: IMS Consulting

4 Strong growth in biotech products

More and more Blockbuster drugs are based on biotech products



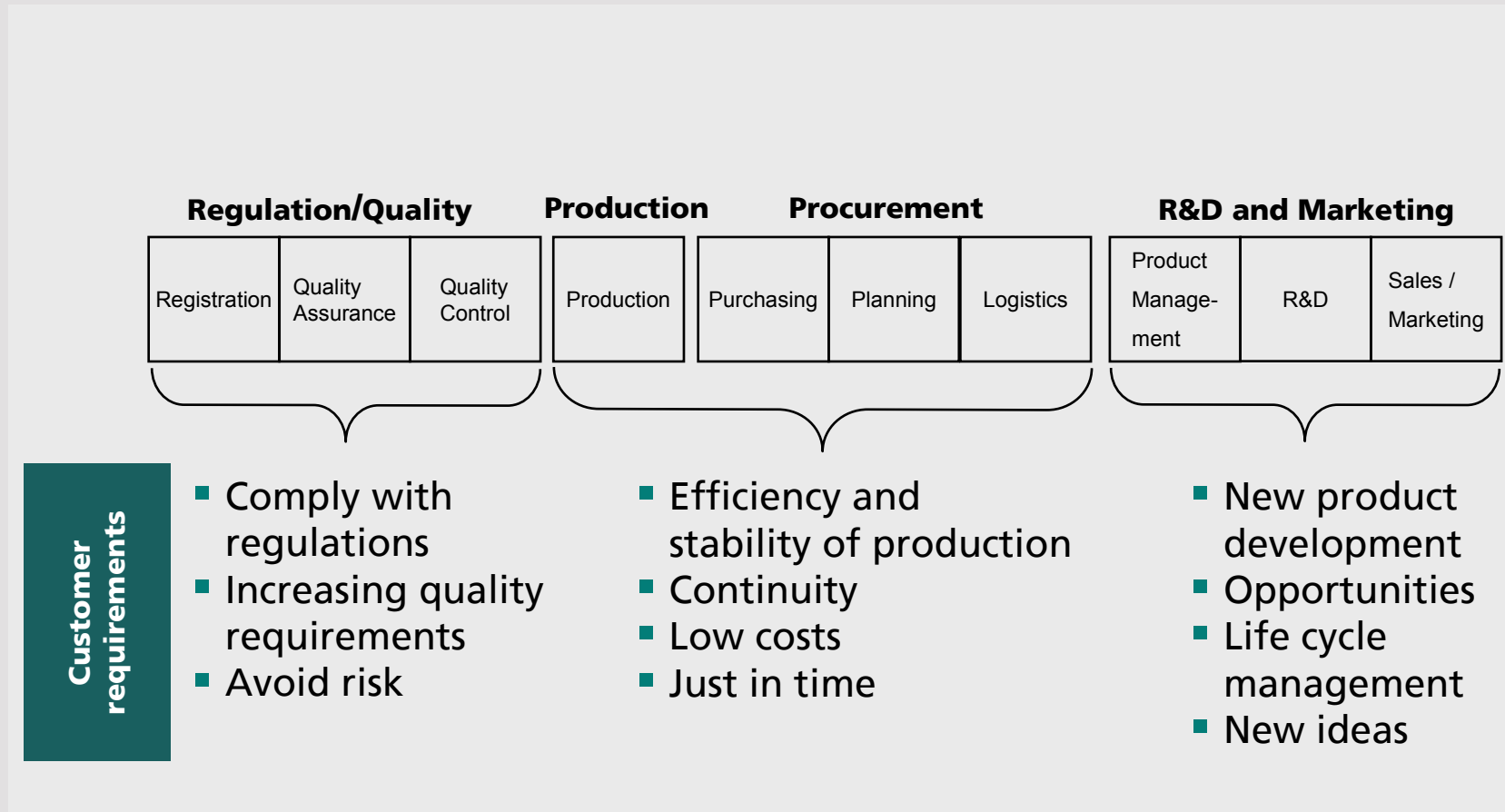
Many biotech drugs are filled in prefillable syringes and vials – An opportunity for Gerresheimer

22 Biotech Blockbusters	Dosage form	
	Vial	Pref. Syringes
Enbrel (Amgen/Wyeth)	✓	✓
Aranesp (Amgen)	✓	✓
Remicade (J&J/SP)	✓	
Mabthera/Rituxan (Roche)	✓	
Neulasta (Amgen)		✓
Erypo/Procrit (J&J)	✓	✓
Herceptin (Roche)	✓	
Epogen (Amgen)	✓	✓
Avastin (Roche)	✓	
Humira (Abbott)	✓	✓
Lantus (Sanofi-Avantis)	✓	
Avonex (Biogen Idec)	✓	✓
Neorecormon (Roche)	✓	✓
Gardasil (Merck)		✓
Rebif (Serono)		✓
Neupogen (Amgen)	✓	✓
Novorapid (Novo Nordisk)	✓	
Erbix (ImClone/Merck KGaA/BMS)	✓	
Lucentis (Roche)	✓	✓
Synagis (Abbott)	✓	
Humalog (Lilly)	✓	
Betaferon (Bayer/Schering AG)	✓	✓

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Understanding the four aspects of the Pharma Industry



Product quality requirements are permanently raised

Regulatory environment

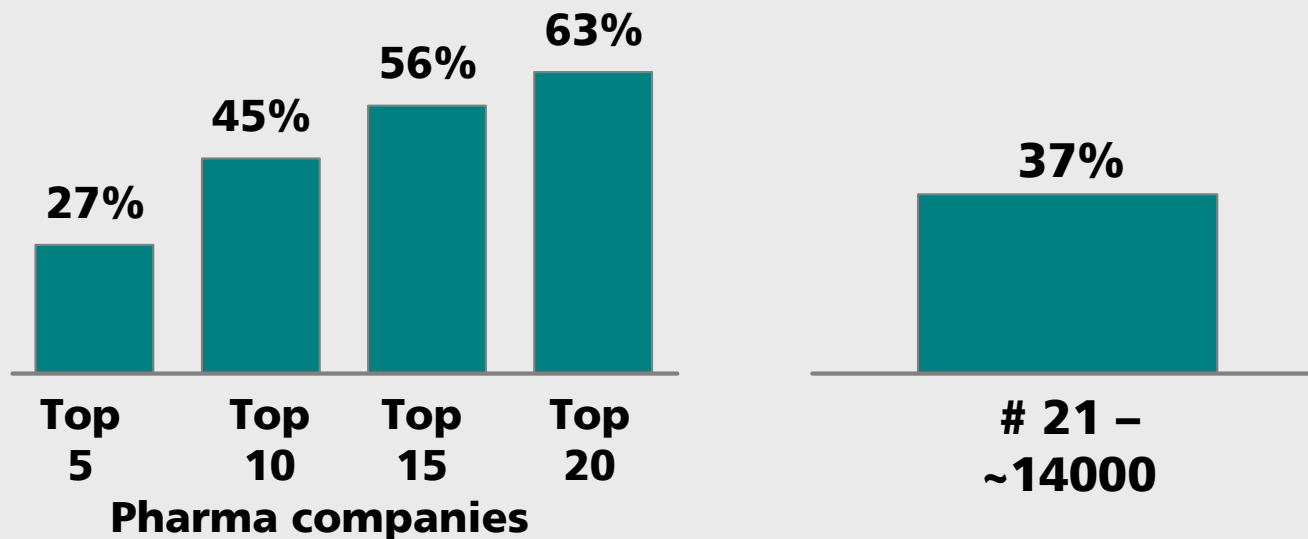
- Registration
 - Primary packaging is key element of drug registration
 - Standards must be fulfilled to obtain registration
- Registration authorities
 - FDA, EMEA, national authorities
 - 50% of all UN-countries use FDA as a guideline
- Standards
 - US and European Pharmacopeia Reference Standards
 - GMP (Good Manufacturing Practices):
 - Regular audits required: 1 per year for sterile, 1 every two years for unsterile products
 - Processes must be validated
 - Various ISO norms

Quality requirements

- Constant increase of quality requirements driven by the customer and the authorities
- Trend towards 0-defect level
- Even higher requirements for biotech products

Gerresheimer selects the marketing approach based on the specific needs of the customer

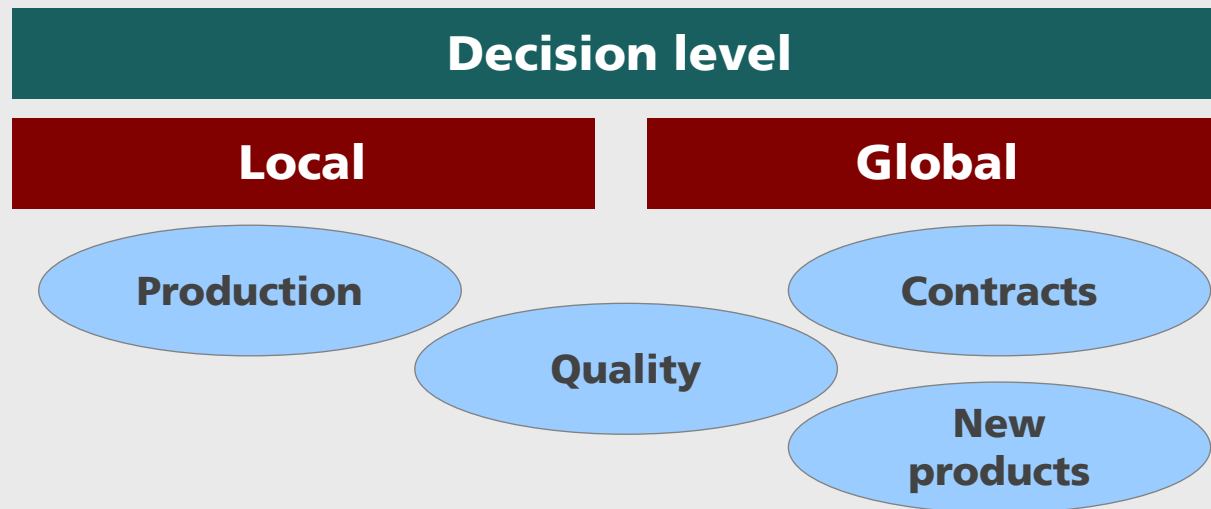
- Distribution of pharmaceutical sales 2008 -



Key account approach

Approach by local sales force or distributor

Customers have different decision makers and levels depending on the topic



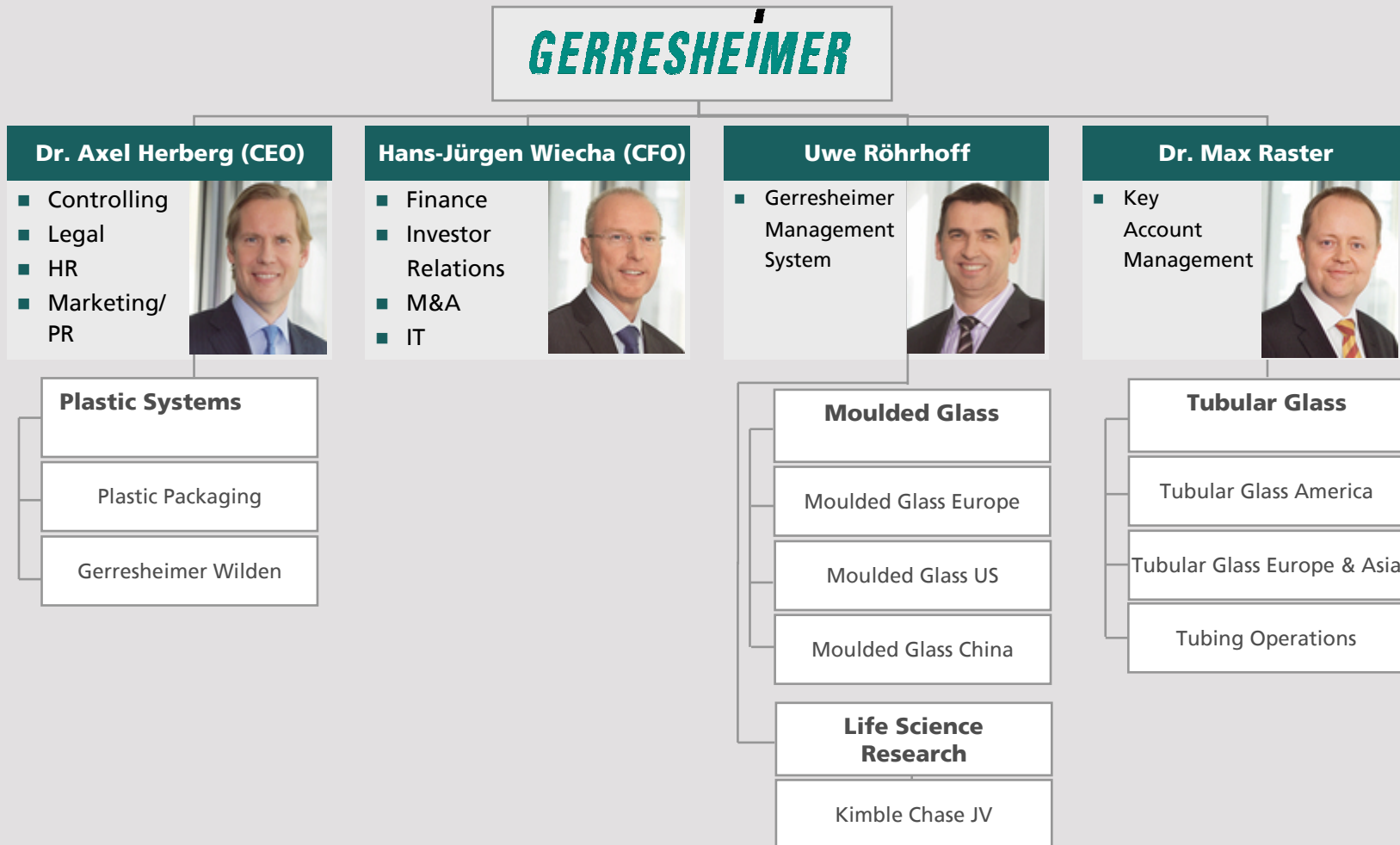
Gerresheimer well positioned as a global partner to the Pharma & Life Science Industry

- Gerresheimer seen as a strategic global partner by the large pharma companies
- Involvement of higher level management at the customers due to size of Gerresheimer
- Easier access to opportunities for Gerresheimer on different product categories and locations
- Unique selling proposition of developing products that combine glass and plastic materials

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Management organization of Gerresheimer is characterized by full divisional P&L responsibilities and a small central staff



How do we manage our business?

■ **Divisional tasks**

- Full P&L responsibility with strong customer and earnings focus
- Strategic expansion (embedded in Group strategy)
- Technical Competence Centers

■ **Corporate functions**

- Financial objectives and control
- Continuous improvement through Gerresheimer Management System (GMS)
- Key Account Management System (KAM)

Different key success factors are important for the P&L management in our four divisions

- Key earnings levers by division -

	Tubular Glass		Plastic Systems			
	Tubing	Tubular Converting	Plastic Packaging	Medical Plastic Systems	Moulded Glass	Life Science Research
Yield	X	X	X	X	X	
Utilization	X		X	X	X	
Mix Management					X	
Low Labor Cost		X				X

Integrated technology approach through Technical Competence Centers

- **Tubular Glass:**
 - Vineland, US: Tubing
 - Bünde, Germany: Syringes
 - Wertheim, Germany: Ampoules
 - Morganton, US: Vials

- **Moulded Glass:**
 - Lohr, Germany: Pharmaceutical bottles type III
 - Chicago, US: Pharmaceutical bottles type I
 - Tettau, Germany: Cosmetics

- **Plastic Systems**
 - Wackersdorf, Germany: Diagnostics and pharma plastic systems
 - Vaerloese, Denmark: Tablets & powder containers
 - Boleslawiec, Poland: Bottles for liquids
 - Zaragoza, Spain: PET containers

- **Life Science Research:**
 - Vineland, US: Reusable and disposable laboratory equipment

Gerresheimer – Excellent prospects as a unique supplier to the Pharma & Life Science Industry

- Clearly defined strategy
- Stable, non-cyclical growth
- Multiple external expansion possibilities
- Global and well-protected setup
- Stable cash flows
- Solid financing